

COMPARISON OF CURRENT AND NEW TAX-REVERSION PROCESSES

On July 22, 1999, Governor Engler signed into law significant changes to the Michigan tax-reversion process. The new process will apply to property taxes levied after December 31, 1998, while the current process will apply to taxes levied before January 1, 1999. Significant dates, during calendar years 1999 through 2002, are as follows:

	<u>Current Process</u>	<u>New Process</u>
January 4, 1999	Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1995 delinquent taxes	
March, 1999	Start of DNR land sales for 1993 State-foreclosed delinquent taxes	
March 1, 1999	1998 taxes returned delinquent	
	4 percent county property tax administration fee and 1 percent per month interest attach	
April, 1999	Conclusion of <i>Dow</i> Hearings for 1992 delinquent taxes	
May 4, 1999	Annual tax lien sale for 1996 delinquent taxes	
	Expiration of one-year redemption period for 1995 delinquent taxes	
	Start of six-month redemption period for 1995 State-foreclosed delinquent taxes	
June 30, 1999	First notice sent by county treasurers for 1998 delinquent taxes	
July 1, 1999	Summer tax levy	Summer tax levy
July 3, 1999	Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1995 delinquent taxes	
August, 1999	Conclusion of DNR land sales for 1993 State-foreclosed delinquent taxes	
October 1, 1999	\$10.00 per parcel fee attaches	Public Act 123 of 1999 takes effect
November 1, 1999	Expiration of six-month redemption period for 1995 State-foreclosed delinquent taxes	
	Preparation for start of <i>Dow</i> hearings for 1995 State-foreclosed delinquent taxes	

	<u>Current Process</u>	<u>New Process</u>
December 1, 1999	Winter tax levy	Winter tax levy
January 2, 2000	Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1996 delinquent taxes	Deadline for county “opt out” decision
March, 2000	Start of DNR land sales for 1993 State-foreclosed delinquent taxes	
March 1, 2000		1999 taxes returned delinquent
		4 percent county property tax administration fee and 1 percent per month noncompounded interest attach for 1999 delinquent taxes
		Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer
April, 2000	Conclusion of <i>Dow</i> Hearings for 1993 delinquent taxes	
April 3, 2000	Deadline for third notice sent by county treasurers for 1997 delinquent taxes	
May 2, 2000	Annual tax lien sale for 1997 delinquent taxes (unless sale is cancelled by county treasurer, in which case 1997 taxes are foreclosed under new process)	
	Expiration of one-year redemption period for 1996 delinquent taxes	
	Start of six-month redemption period for 1996 State-foreclosed delinquent taxes	
June 1, 2000		Deadline for first notice (first-class mail) sent by county treasurers for 1999 delinquent taxes
June 30, 2000	Second notice sent by county treasurers for 1998 delinquent taxes	
July 1, 2000	Summer tax levy	Summer tax levy
July 2, 2000	Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1996 delinquent taxes	

	<u>Current Process</u>	<u>New Process</u>
August, 2000	Conclusion of DNR land sales for 1994 State-foreclosed delinquent taxes	
September 1, 2000		Deadline for second notice (first-class mail) sent by county treasurers for 1999 delinquent taxes
October 1, 2000	\$10.00 per parcel fee attaches for 1998 delinquent taxes	\$15.00 per parcel fee attaches for 1999 delinquent taxes
November 1, 2000		Forfeiture list prepared by county treasurers for 1999 delinquent taxes
November 6, 2000	Expiration of six-month redemption period for 1996 State-foreclosed delinquent taxes	
	Preparation for start of <i>Dow</i> hearings for 1996 delinquent taxes	
December 1, 2000	Winter tax levy	Winter tax levy
		Deadline for determination by county treasurers of property addresses, names of owners, mortgagees, and land contract holders
January 1, 2001	If 2000 tax lien sale was held: Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1997 delinquent taxes	
February 1, 2001		Deadline for third notice (certified mail) sent by county treasurers for 1999 delinquent taxes
March, 2001	Start of DNR land sales for 1995 State-foreclosed delinquent taxes	
March 1, 2001		2000 taxes returned delinquent 4 percent county property tax administration fee and 1 percent per month noncompounded interest attach Subject to a right of redemption, property forfeits for 1999 delinquent taxes \$175.00 per parcel fee and additional 0.5 percent per month interest attach for 1999 de-

March 1, 2001 (continued)	<u>Current Process</u>	<u>New Process</u> linquent taxes, (additional interest is retro-active to March 1, 2000 Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer Personal visit required by foreclosing governmental unit (county treasurer or State) to forfeited property after forfeiture occurs
April, 2001	Conclusion of <i>Dow</i> Hearings for 1994 (and possibly 1995) delinquent taxes	
April 2, 2001	Deadline for third notice sent by county treasurers for 1998 delinquent taxes	
April 15, 2001		Deadline for county treasurers to record forfeiture certificate with register of deeds for 1999 delinquent taxes
May 1, 2001	Annual tax lien sale for 1998 delinquent taxes (unless sale is cancelled by county treasurer, in which case 1998 taxes are foreclosed under new process) If 2000 tax lien sale was held: Expiration of one-year redemption period for 1997 delinquent taxes Start of six-month redemption period for 1997 State-foreclosed delinquent taxes	Deadline for foreclosing governmental unit to begin title work for 1999 delinquent taxes
June 1, 2001		Deadline for first notice (first-class mail) sent by county treasurers for 2000 delinquent taxes
June 15, 2001		Deadline for foreclosing governmental unit to file foreclosure petition with circuit court requesting judicial hearing date for 1999 delinquent taxes
July 1, 2001	Summer tax levy If 2000 tax lien sale was held: Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1997 delinquent taxes	Summer tax levy

	<u>Current Process</u>	<u>New Process</u>
August, 2001	Conclusion of DNR land sales for 1996 State-foreclosed delinquent taxes	
September 1, 2001		Deadline for second notice (first-class mail) sent by county treasurers for 2000 delinquent taxes
October 1, 2001		\$15.00 per parcel fee attaches for 2000 delinquent taxes
November 1, 2001		Forfeiture list prepared by county treasurers for 2000 delinquent taxes
November 6, 2001	If 2000 tax lien sale was held: Expiration of six-month redemption period for 1997 delinquent taxes Preparation for start of <i>Dow</i> hearings for 1997 delinquent taxes	
December 1, 2001	Winter tax levy	Winter tax levy
January 7, 2002	If 2001 tax lien sale was held: Deadline for notice by county treasurers regarding impending expiration of one-year redemption period for 1998 delinquent taxes	
February 25, 2002		Deadline for foreclosing governmental unit to hold administrative show cause hearing
March, 2002		
	Start of DNR land sales for 1996 State-foreclosed delinquent taxes	
March 1, 2002		2001 taxes returned delinquent 4 percent county property tax administration fee and 1 percent per month noncompounded interest attach for 2001 delinquent taxes Subject to a right of redemption, property forfeits for 2000 delinquent taxes \$175.00 per parcel fee attach and additional 0.5 percent month interest attach for 1999 delinquent taxes, (additional interest is retroactive to March 1, 2001)

March 1, 2002 (continued)	<u>Current Process</u>	<u>New Process</u>
		Deadline for review of \$15.00 and \$175.00 per parcel fees by State Treasurer
		Deadline for judicial foreclosure hearing for 1999 delinquent taxes
March 10, 2002		Deadline for circuit court entry foreclosure judgment in uncontested cases for 1999 delinquent taxes (deadline in contested cases is ten days after conclusion of hearing)
April, 2002	If 2000 tax lien sale was held:	
	Conclusion of <i>Dow</i> Hearings for 1996 delinquent taxes	
April 1, 2002		Deadline (uncontested cases) for filing appeal with court of appeal for 1999 delinquent taxes
April 15, 2002		Deadline for county treasurers to record forfeiture certificate with register of deeds for 2000 delinquent taxes
May 1, 2002		Deadline for foreclosing governmental unit (county treasurer or State) to begin title work for 2000 delinquent taxes
May 7, 2002	If 2001 tax lien sale was held:	
	Expiration of one-year redemption period for 1998 delinquent taxes	
	Start of six-month redemption period for 1998 State-foreclosed delinquent taxes	
June 1, 2002		Deadline for first notice (first-class mail) sent by county treasurers for 2001 delinquent taxes
June 15, 2002		Deadline for foreclosing governmental unit to file foreclosure petition with circuit court requesting judicial hearing date for 2000 delinquent taxes
July 1, 2002	Summer tax levy	Summer tax levy
July 16, 2002	If 2000 tax lien sale was held:	Starting date for foreclosing government unit to conduct first land sale of property

July 16, 2002 (continued)	<u>Current Process</u> Statutory date for State Treasurer conveyance to DNR of property bid to the State for 1998 delinquent taxes	<u>New Process</u> forfeited for 1999 delinquent taxes (July sale is optional)
July 30, 2002		Deadline for completion of July sale
August, 2002		
	Conclusion of DNR land sales for 1996 State-foreclosed delinquent taxes	
September 1, 2002		Deadline for second notice (first-class mail) sent by county treasurers for 2001 delinquent taxes
September 17, 2002		Starting date for foreclosing government unit to conduct second land sale of property forfeited for 1999 delinquent taxes
October 1, 2002		\$15.00 per parcel fee attaches for 2001 delinquent taxes
		Deadline for completion of September sale of property forfeited for 1999 delinquent taxes
November 1, 2002		Forfeiture list prepared by county treasurers for 2001 delinquent taxes
November 4, 2002	If 2001 tax lien sale was held: Expiration of six-month redemption period for 1998 State-foreclosed delinquent taxes Preparation for start of <i>Dow</i> hearings for 1998 delinquent taxes	
November 19, 2002		Starting date for foreclosing government unit to conduct third land sale, if necessary, of property forfeited for 1999 delinquent taxes
December 1, 2002	Winter tax levy	Winter tax levy
		Deadline for foreclosing government unit to transmit list of unsold properties to city, village, or township clerk

Current Process

December 3, 2002

December 30, 2002

December 31, 2002

New Process

Deadline for completion of December sale of property forfeited for 1999 delinquent taxes

Unsold property is transferred by foreclosing government unit to city, village, or township unless city, village, or township filed a written objection to a given parcel

Termination of State Treasurer's authorization to review and/or adjust the \$15.00 and \$175.00 per parcel fees